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November 24, 1996

Mr. Fred Wagner
Attorney at Law
Beveridge & Diamond, P.C.
1350 1 Street, N.W., Suite 700
Washington, D.C. 20005-3311

Re: Skinner Landfill
Alternate Dispute Resolution
Anticipated Settlement Letters

Dear Mr. Wagner:

Please be advised that I represent John F. Bushelman Construction, Inc. and Tracy Ann Engel, Trustee in the above-captioned matter. By this letter, I wish to apprise you of current financial matters related to John F. Bushelman, Inc., now known as JFB, Inc., an inactive corporation, and Tracy Ann Engel, the Trustee of the inter vivos trust created by John F. Bushelman on April 4, 1995.

Preliminary to a discussion of the financial condition of these two entities, I would like to suggest that a party's claim of "inability to pay" should be a factor in any plaintiffs' settlement proposal which may be forthcoming. We agree that a claim of inability to pay is not a defense to liability under CERCLA. However, one's inability to pay does have a bearing on the equities involved in arriving at a fair and reasonable settlement proposal. The Skinner Landfill ADR allocation questionnaire and the follow-up questions addressed and submitted information relating to the issue of inability to pay. Both you and the Allocator already have substantial information relevant to the finances of the two entities. This letter is an attempt to update and clarify that financial position.

I submit to you the following information:

Assets owned by Tracy Ann Engel, Trustee U/A 4/4/95

- (1) Real estate located at 11980 Runyan Drive,
Sharonville, Hamilton County, Ohio

Industrial tract's valuation without reference to environmental clean-up required	\$250,000.00
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(2)	Real estate located at 3736 Hauck Road, Sharonville, Hamilton County, Ohio	
	Contiguous single-family residences valuation prior to environmental clean-up required	36,000.00
(3)	Gradison-McDonald Securities Investment account as of 11/23/98	17,135.10
(4)	First National Bank of Southwestern Ohio Checking Account No. 0080445032 Balance as of 11/23/98	6,699.41
(5)	Fifth Third Bank Escrow Account No. 714-08783 "C. Gregory Schmidt and G. Robert Hines, Co-Escrow Agents" for the 9/6/95 Environmental Remediation Work as of 11/6/98	69,000.00
(6)	Balance of 9/6/95 Promissory Note from Kossen, Inc., now known as C. J. & L Construction, Inc.	41,363.35
(7)	100 common shares of JFB, Inc.	<u>0.00</u>

TOTAL BOOK VALUE OF ASSETS: \$420,197.86

Anticipated reduction in valuation of
Sharonville industrial and contiguous
residential real estate as a result of
its "Brownfield" condition after
anticipated remediation is completed

Less: 40% reduction in value,
more or less (\$114,400.00)

NET ADJUSTED MARKET VALUATION
OF ALL ASSETS \$305,797.86

Liabilities

Estimated clean-up expenses due
SRW Environmental Services 133,550.00

Annual real estate taxes and
Federal income taxes due 18,000.00

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Estimated accrued attorney fees and accounting fees	<u>9,000.00</u>
TOTAL LIABILITIES	\$160,550.00
NET WORTH OF TRACY ANN ENGEL, TRUSTEE	\$145,247.86

Very truly yours,

GRH/kf

G. Robert Hines

VERIFICATION

Tracy Ann Engel certifies that all of the financial matters relating to her net worth set forth above are true and correct to the best of her knowledge and belief.

TRACY ANN ENGEL, TRUSTEE